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San Bruno Slams PG&E Response to Criminal Indictment for Fatal 2010 Explosion and Fire

Statement by San Bruno Mayor Jim Ruane

San Bruno, Calif. – The City of San Bruno today criticized PG&E’s response to its criminal indictment and called for reform of the California Public Utility Commission, which the city believes is also responsible for its failure to properly regulate the Pacific Gas & Electric Company, leading to the tragedy in San Bruno on Sept. 9, 2010 and other pipeline issues.

In a press conference on Wednesday, San Bruno Mayor Jim Ruane applauded the U.S. Attorney’s criminal charges against PG&E but condemned PG&E CEO Tony Earley’s response, which denied direct responsibility for the explosion and fire that killed eight residents, destroyed 38 homes and damaged scores more. Mayor Ruane made the following statement to the media:

“We are pleased with action by the U.S. Attorney to file criminal charges against PG&E. We look forward to joining the U.S. Attorney in bringing this to a just and fair resolution.

We want to make four important points today:

1. We are angered by the response of PG&E to the criminal charges. The utility continues to call this an “accident” and deny direct responsibility for killing eight of our citizens, injuring scores more, and blowing a hole in the heart of our city. The federal grand jury and the criminal task force have now concluded that the explosion of line 132 was as a result of deliberate and intentional misconduct by the PG&E over the past 20 years.

PG&E’s misconduct was criminal. The company deliberately misdirected monies designated for pipeline safety to executive salaries. That is how this tragedy occurred. PG&E boosted executive salaries and it cost people’s lives—and PG&E must admit this and pay for it. PG&E continues to call this an accident. It was a criminal act.

2. The California Public Utilities Commission is also guilty in this tragedy through their cozy relationship with PG&E. They were responsible for overseeing PG&E and they failed miserably. Instead of regulating them, they let PG&E off the hook.
3. While the CPUC is not named in the criminal indictment, we continue to believe that major structural reforms are still needed. The Governor, Legislature and California AG should take this opportunity to take action. And again, we are calling on Gov. Jerry Brown to remove CPUC President Michael Peevey, under whose leadership the CPUC has continuously failed to adequately monitor the actions of PG&E.
4. The CPUC does have an opportunity to start to redeem itself by fining and penalizing PG&E to the maximum of \$2.45 billion dollars without credit for work performed to date, putting in place an independent pipeline safety monitor, mandating fully automated gas pipeline shutoff valves, and changing the way they do business to ensure that safety and transparency is the priority so that a tragedy of this magnitude never happens again.”